

House Bill 1343

By: Representatives Smith of the 131<sup>st</sup>, Yates of the 73<sup>rd</sup>, Rogers of the 26<sup>th</sup>, Lewis of the 15<sup>th</sup>, Sims of the 169<sup>th</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

To amend Code Section 48-7-27 of the Official Code of Georgia Annotated, relating to computation of taxable net income, so as to provide that retirement income received as retirement benefits from military service shall not be subject to state income tax; to provide for conditions and limitations; to provide an effective date; to provide for applicability; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

Code Section 48-7-27 of the Official Code of Georgia Annotated, relating to computation of taxable net income, is amended by adding a new paragraph to subsection (a) to read as follows:

"(12.1) Retirement income received as retirement benefits from the military services of the United States and survivor benefits derived therefrom otherwise included in Georgia taxable net income not to exceed the inclusion amount as follows:

(A) For taxable years beginning on or after January 1, 2008, and prior to January 1, 2009, an exclusion amount not to exceed 40% of any income source qualifying under this paragraph;

(B) For taxable years beginning on or after January 1, 2009, and prior to January 1, 2010, an exclusion amount not to exceed 60% of any income source qualifying under this paragraph;

(C) For taxable years beginning on or after January 1, 2010, and prior to January 1, 2011, an exclusion amount not to exceed 80% of any income source qualifying under this paragraph; and

(D) For taxable years beginning on or after January 1, 2011, and for all taxable years thereafter, an exclusion amount of 100% of any income source qualifying under this paragraph;"

**SECTION 2.**

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2 This Act shall become effective upon its approval by the Governor or upon its becoming law  
3 without such approval and shall be applicable to all taxable years beginning on or after  
4 January 1, 2008.

**SECTION 3.**

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6 All laws and parts of laws in conflict with this Act are repealed.